

ISSUE BRIEF

May 11, 2018

ISSUE TITLE & DESCRIPTION: Green Tier Registration Permit Recommendations

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THIS ISSUE IS (choose one): ☒ Decision ☒ Discussion ☒ Information

DATE DECISION IS NEEDED: May 11, 2018

EXPECTED OUTCOME:

Assure common understanding of the concept of a Green Tier Registration Permit

Assure common understanding of process for:

- Review and issuance
- Granting of coverage
- Coordination between Green Tier Program and Air Management Program

Decision on Green Tier ROP parameters

- Emission Threshold – less than 80% of major source threshold
- Eligibility Criteria - Tier 2 of Green Tier

BACKGROUND: Air program regulations allow the Air Program to issue registration permits to cover facilities with low air pollution emissions. Registration permits are a type of general permit in that the permit is written for a category of source. The draft permit and eligibility criteria are provided for public comments and then the permit is issued. After issuance, eligible facilities apply for coverage under the permit.

There are several benefits to Registration Permits. The simplified review process saves DNR time that can be used to work more effectively with larger facilities that need a traditional permit. Companies benefit in the following ways.

- Simplified application process.
- Fifteen-day decision on applications for coverage
- Allows facility modifications without the need for a construction permit.
- Permit does not expire.
- Simplified and less frequent recordkeeping.

The Concept of the Green Tier ROP is to pair a Tier 2 contract under Green Tier with a Registration Permit.

The Green Tier ROP subgroup met on April 25th and discussed the concept of the Green Tier ROP including administration and ongoing maintenance of the GT ROP Program, emission thresholds, eligibility criteria, coordination with Green Tier Program.

The Subgroup is making the following recommendations

RECOMMENDATIONS:

- Emission Threshold – Less than 80% of the major source threshold
- Eligibility Criteria
- Timeline – Group estimates that it can have a draft application, permit, and analysis ready for public comment in 6 months. Final permit would be issued approximately 60 days after end of public comment:
 - Subgroup meetings: May, July, September
 - Draft permit ready for public comment: November 2018
 - Final permit issuance: January 2019
- Additional work for GT ROP subgroup:
 - Concurrently work with Green Tier Staff to draft model contract language and elements to be included in a Tier 2 application
 - Establish plan for coordination between Air Program and Green Tier Program to assure timely review of applications

ANALYSES:

Emission Threshold: Section 285.60(2g), Wis. Stats., allows DNR to issue registration permit for sources with low actual emissions. To determine what “low emissions” are, we look to EPA’s compliance program. EPA requires states to perform full compliance inspections at major sources and at synthetic minor sources with potential emissions at or exceeding 80% of major source threshold. We are, therefore, concluding that sources emitting less than 80% of the major source threshold may be considered sources with low emission.

Eligibility Criteria: Act 70 provides incentives to facilities that enter Green Tier at either Tier 1 or Tier 2, locate on a brownfield that is VPLE certified, and qualify for coverage under a registration permit. Registration permits do not contain specific applicable requirements but rely on facilities to understand and follow applicable regulations. The department current registration permits cover very small facilities that, usually, are not subject to many complex regulations and compliance requirements are relatively straight forward.

Because the Green Tier ROP would cover much larger facilities which might have many very complex applicable requirements, the Subgroup is recommending that, in order to qualify for the Green Tier ROP, a source would need to complete the requirements for Tier 2 of Green Tier. Cover facilities subject to more complex regulations would be able to use their EMS and annual compliance audits to ensure that they understand and comply with all requirements. This also provides assurance to DNR and the public that these facilities not only comply, but are among the best environmental performers in the state